



# Food Distribution National Policy Memorandum

United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

3101 Park  
Center Drive

Alexandria, VA  
22302-1500

**DATE:** February 4, 2010  
**POLICY NO.:** FD-103: State Processing  
**SUBJECT:** Waiver of Requirement to Submit Copies of Refund Requests and Payments with State Monthly Performance Reports

Currently, in accordance with 250.30(k)(3), processors must submit to the State distributing agency, along with monthly performance reports, copies of recipient agency (or distributor, as applicable) requests for refunds for the value of donated foods in end products, and documentation of payments to such recipient agencies. We proposed to remove the requirement for the processor to submit such information to the distributing agency in the proposed rule, "Revisions and Clarifications in Requirements for the Processing of Donated Foods", which was published in the Federal Register on August 24, 2006.

In advance of the publication of a final rule, this policy memorandum waives this requirement, in accordance with the Food and Nutrition Service's authority to waive regulatory provisions in 250.30(t). However, in lieu of the submission of such information, the processor must submit to the distributing agency, along with monthly performance reports, a list of all recipient agencies requesting refunds, as well as the following information:

- Check numbers;
- Total amounts refunded; and
- Dates the refunds were issued.

Additionally, the distributing agency should request, no less than annually, documentation of payment of refunds by processors for randomly selected recipient agencies. Processors must maintain records of all refund requests and payment of refunds, in accordance with 250.16(a)(4). Such records must be available for review by auditors or other authorized parties, in accordance with 250.18.

For further information regarding this policy memorandum, please contact Sherry Thackeray at (703) 305 - 2644, Dave Brothers at (703) 305 -2668, or email [NPA@fns.usda.gov](mailto:NPA@fns.usda.gov).

Cathie McCullough  
Director  
Food Distribution Division